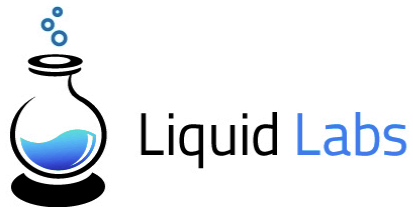


Disrupting Innovation: How Not to Innovate

Paul Jozefak

Next-Generation Skunkworks



Otto Group Overview



Liquid Labs...

- Aims to find innovative ideas in financial services
- Launches & tests screened ideas in less than 6 months on to the market
- Spins new products out of the lab structure as stand alone companies

Who we are:

- We are a mixture of VC, Product & Technology, and Strategy

Our advantage:

- Because we're financially backed by the Otto Group, we can leverage the group's assets to accelerate adoption of new products

Innovation...

The goal to innovation is
to try and get fired each
and every day!

Successful Innovation...

DON'T get fired before
you come out with a
product!

Essentials for succesful innovation...

1. Team
2. Team
3. Team
4. Luck
5. Team
6. Team
7. Luck

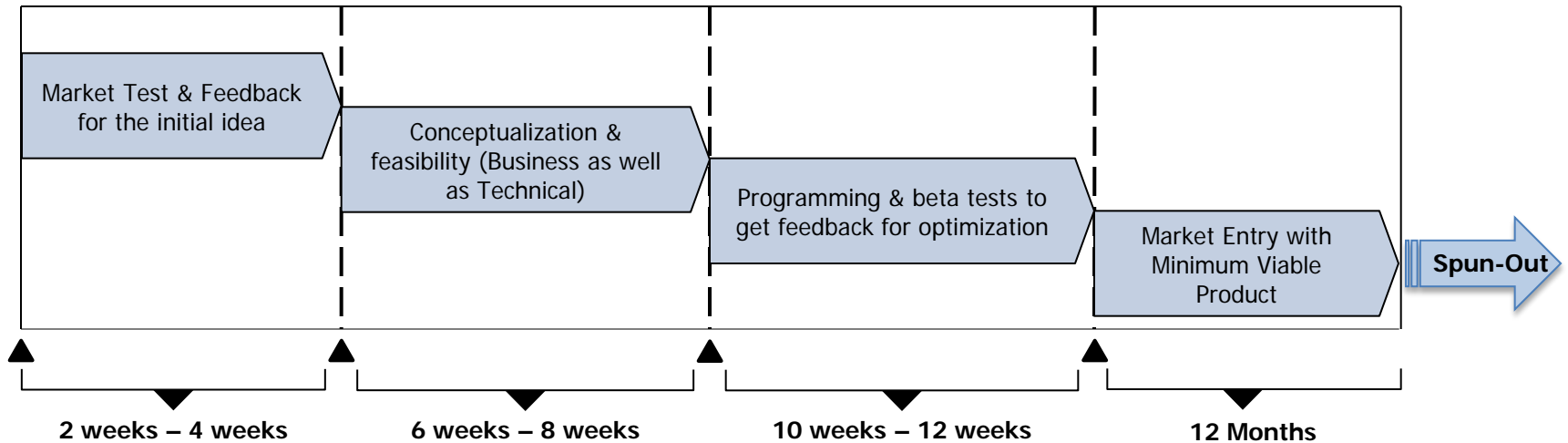
* Plus more
team & more
luck

Not so clear „Essentials“ ...

1. Process kills innovation
2. PowerPoint kills innovation
3. Rules don't „really“ exist*
4. It's never really „sexy“
5. It's extremely hard
6. There will always be setbacks
7. You better love it or it SUCKS

*except for this presentation

Course of a Typical Liquid Labs Project



- Each case is assessed and a minimal feedback loop with potential customers or stakeholders is established
- Phases are kept short in order to minimize waste
- Within 6 months from the start, a minimum viable product is launched, adapted and is ready to be tested against KPI's during the last phase
- As a product gains momentum, team is built out in preparation of spin-out

For 2012 @ Liquid Labs

- We are currently launching 3-4 products
- Investing approximately €250k/project
- Building team out to 10 or 11 people
- Example businesses:
 - A solution addressing the needs of groups
 - A Working Capital company for the modern e-Enterprise
 - A receipts management platform

How We Differ from VC's...

- We are not driven by financial return
- We don't finance „other people's“ ideas
- We have sufficient resources which aren't attached to fund cycles
- Minimal overhead
- Large conglomerate which can be used as „a market“ for testing
- Option to spin-out or spin-in

Why We Aren't an Incubator or Accelerator...

- Our own ideas, generated by team
- One team, all supporting each other
- Fixed, „don't-die-hungry“ salaries
- Motivating environment
- Potential for Equity or a career
- Flexible work environment
- Benefits

Paul Jozefak

- Born in Slovakia, raised in US (managed to have both passports)
- Exchange student in Germany....they're still trying to get rid of me
- Tons of little businesses to make money followed by Start-up, Consulting, Law, Corporate VC, Private VC fund, Liquid Labs
- Live in Hamburg.....for now

Why Am I Here

- Krzysztof made me come but I'm thankful
- Developers
- Development shops
- Entrepreneurs
- Inspiring people
- Never been to Krakow

How To Find Me

Twitter: @pjozefak

Blog: www.jozefak.com (BabblingVC)

If you want to give
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infb.co/12PU

